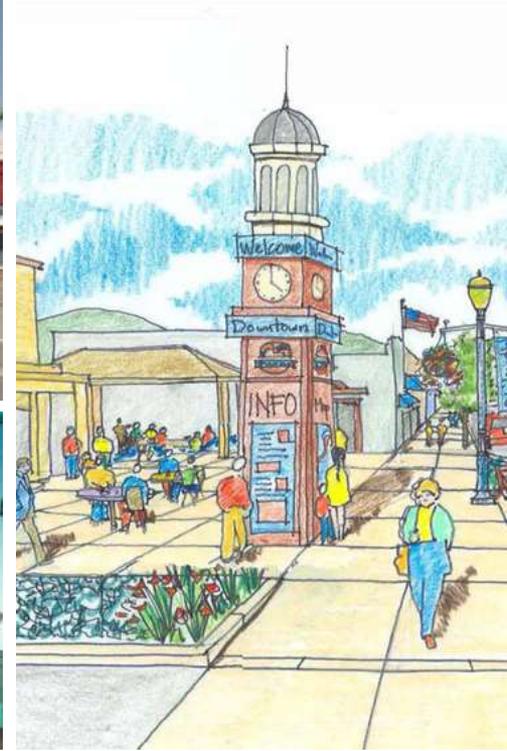


**Philomath's Housing Needs  
Analysis, Economic Opportunities  
Analysis, Buildable Lands  
Inventory, and Main Street Plan**

**Project Advisory Committee Meeting #2**

**June 1, 2020**

**ECONorthwest**  
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# Today's Focus: Philomath's Economic Opportunities Analysis

- Preliminary Commercial and Industrial Buildable Land Inventory Results
- Economic Trends Data and Employment Growth Forecasts
- Economic Development SWOT in Philomath
- Preliminary Target Industries and Required Site Types
- Next Steps

# Buildable Lands Inventory

# Buildable Land Inventory (BLI) Process

## Methodology

1. Develop land base
2. Classify land
3. Remove constraints
4. Verification
  - Aerial imagery
  - Staff review
5. Present draft results

# Comprehensive Plan Designations & Zones Included in the Employment BLI

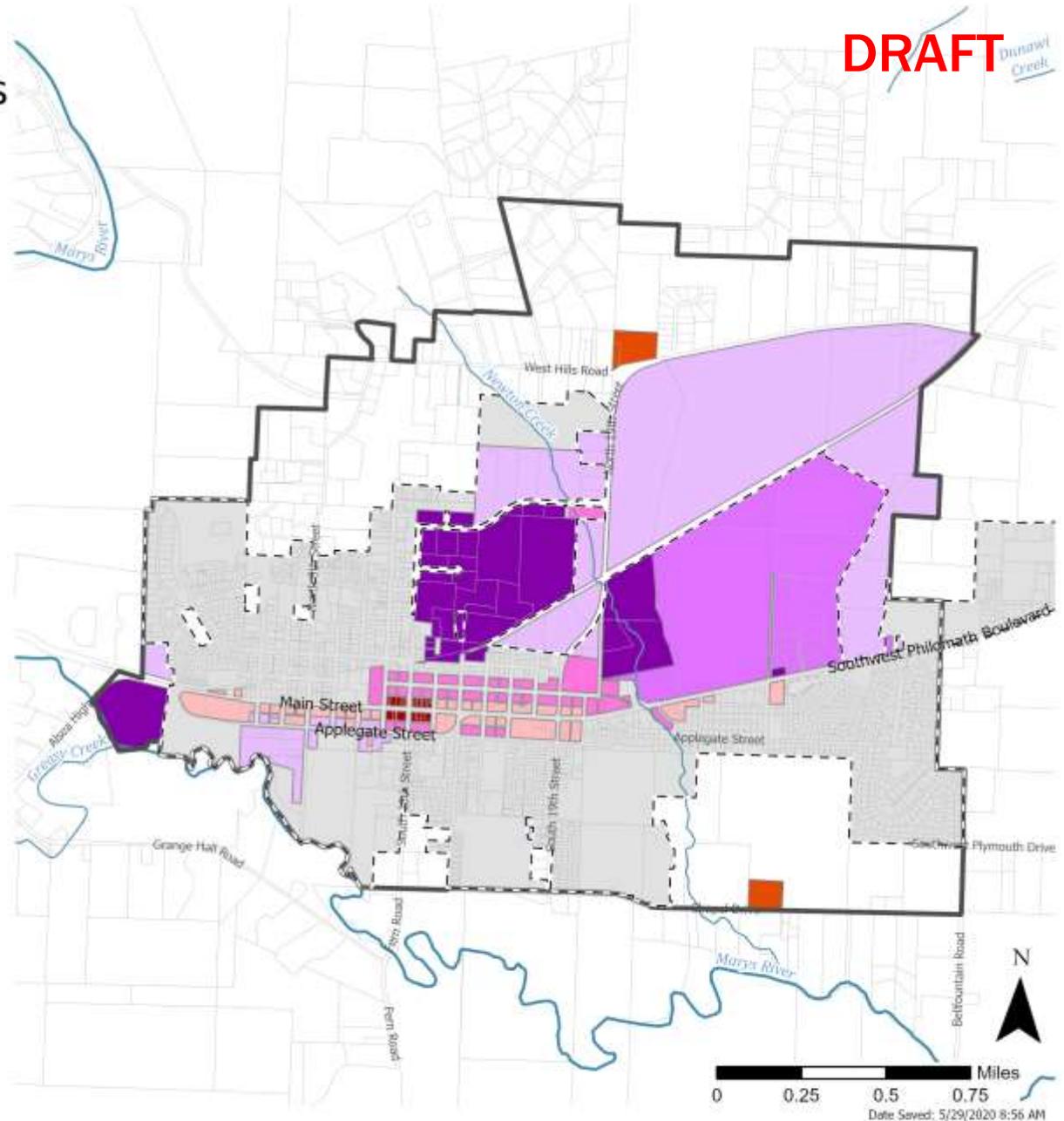
**DRAFT**

-  UGB
-  City Limits

## Comprehensive Plan & Zoning

Code, Description

-  O-R, Office Residential
-  C, Commercial
-  C-1, Commercial Downtown
-  C-2, General Commercial
-  LI, Light Industrial
-  IP, Industrial Park
-  HI, Heavy Industrial



Sources:  
 City of Philomath; Benton County;  
 ECONorthwest; Open Street Map

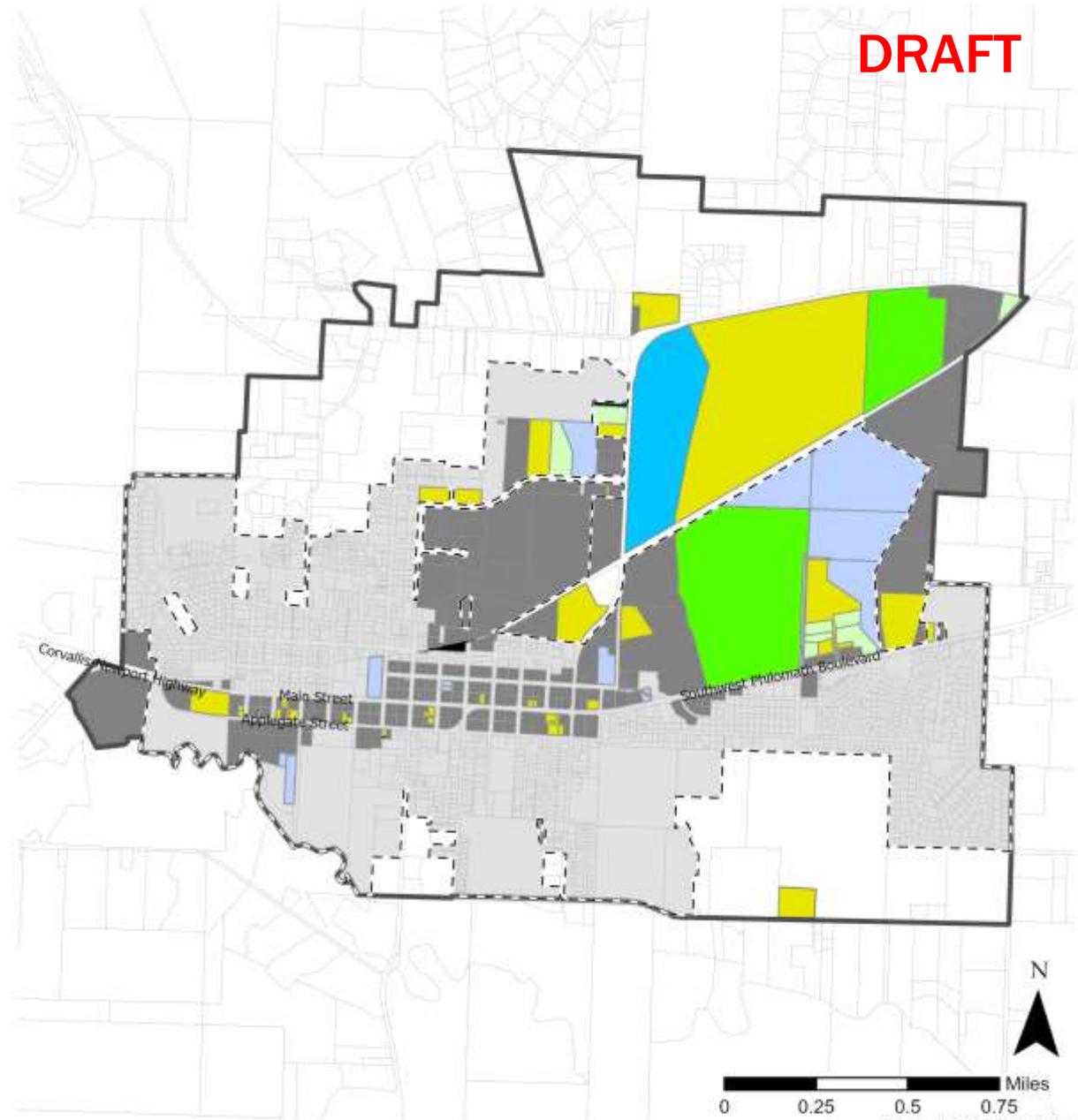
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# BLI Land Classifications (Definitions)

- **Developed**  
Lots fully developed consistent with current zoning. Improved lots unlikely to redevelop within the 20-year period.
- **Vacant**  
Lots that have no structures or have buildings with very little improvement value.
- **Partially vacant**  
Lots occupied by a use but contain enough land to be developed further in current zone.
- **Undevelopable**  
Vacant tax lots less than 3,000 square feet in size
- **Public or exempt**  
Lands in public or semi-public ownership

# Employment Land Development Status

**DRAFT**

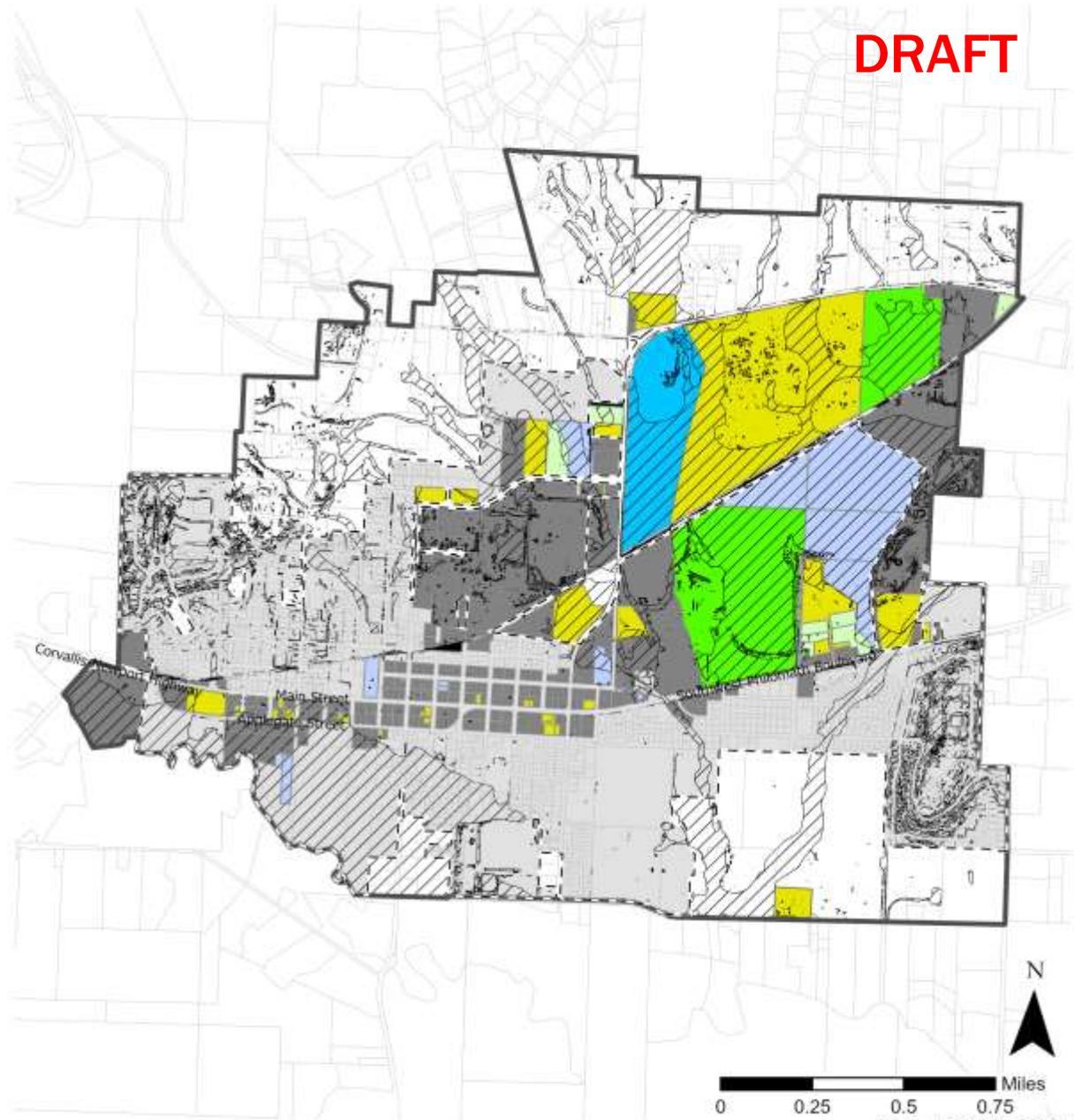


Sources:  
 City of Philomath; Benton County;  
 ECONorthwest; Open Street Map

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# Employment Land Development Status

**DRAFT**



Sources:  
City of Philomath; Benton County;  
ECONorthwest; Open Street Map

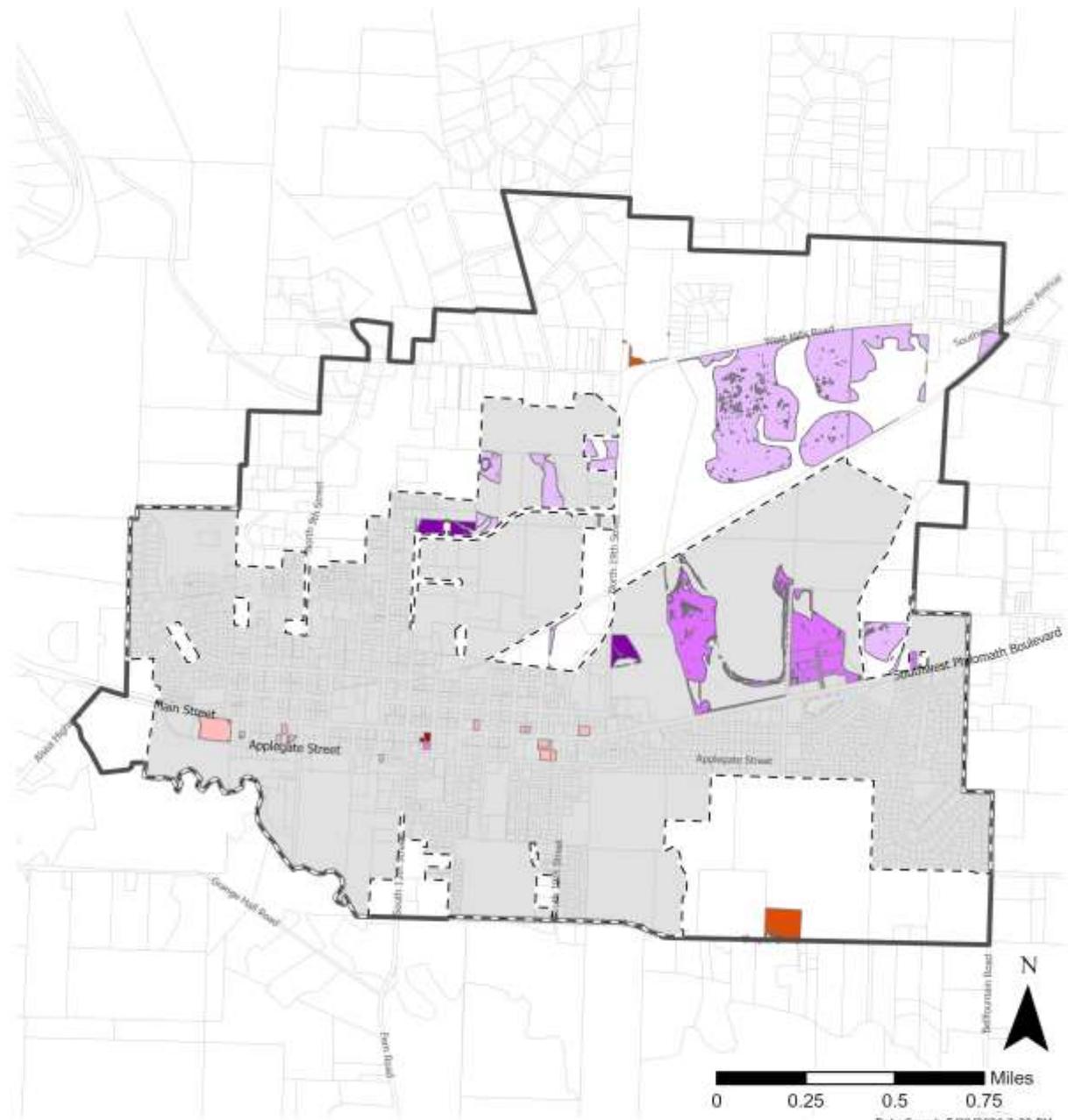


# Vacant & Partially-Vacant by Plan Designation

-  UGB
-  Taxlots
-  City Limits

## Unconstrained Vacant & Partially-Vacant by Plan Designation

-  O-R, Office Residential
-  C, Commercial
-  C-1, Commercial Downtown
-  C-2, General Commercial
-  LI, Light Industrial
-  IP, Industrial Park
-  HI, Heavy Industrial



Sources:  
 City of Philomath; Benton County;  
 ECONorthwest; Open Street Map

# Commercial and Industrial Buildable Land

## Unconstrained Vacant and Partially Vacant Land, Philomath UGB

Plan Designation-Zone	Total Buildable Acres	Buildable Acres on Vacant Lots	Buildable Acres on Partially Vacant Lots
<b>Commercial</b>	<b>13</b>	<b>13</b>	<b>0</b>
Commercial	6	6	0
Commercial Downtown	0.4	0.4	0
General Commercial	7	7	0
Office Residential	0.3	0.3	0
<b>Industrial</b>	<b>105</b>	<b>97</b>	<b>8</b>
Heavy Industrial	7	7	0
Industrial Park	13	10	3
Light Industrial	85	80	5
<b>Total</b>	<b>118</b>	<b>110</b>	<b>8</b>

# Commercial & Industrial Buildable Land

## Buildable acres on vacant and partially vacant lots by size, Philomath UGB

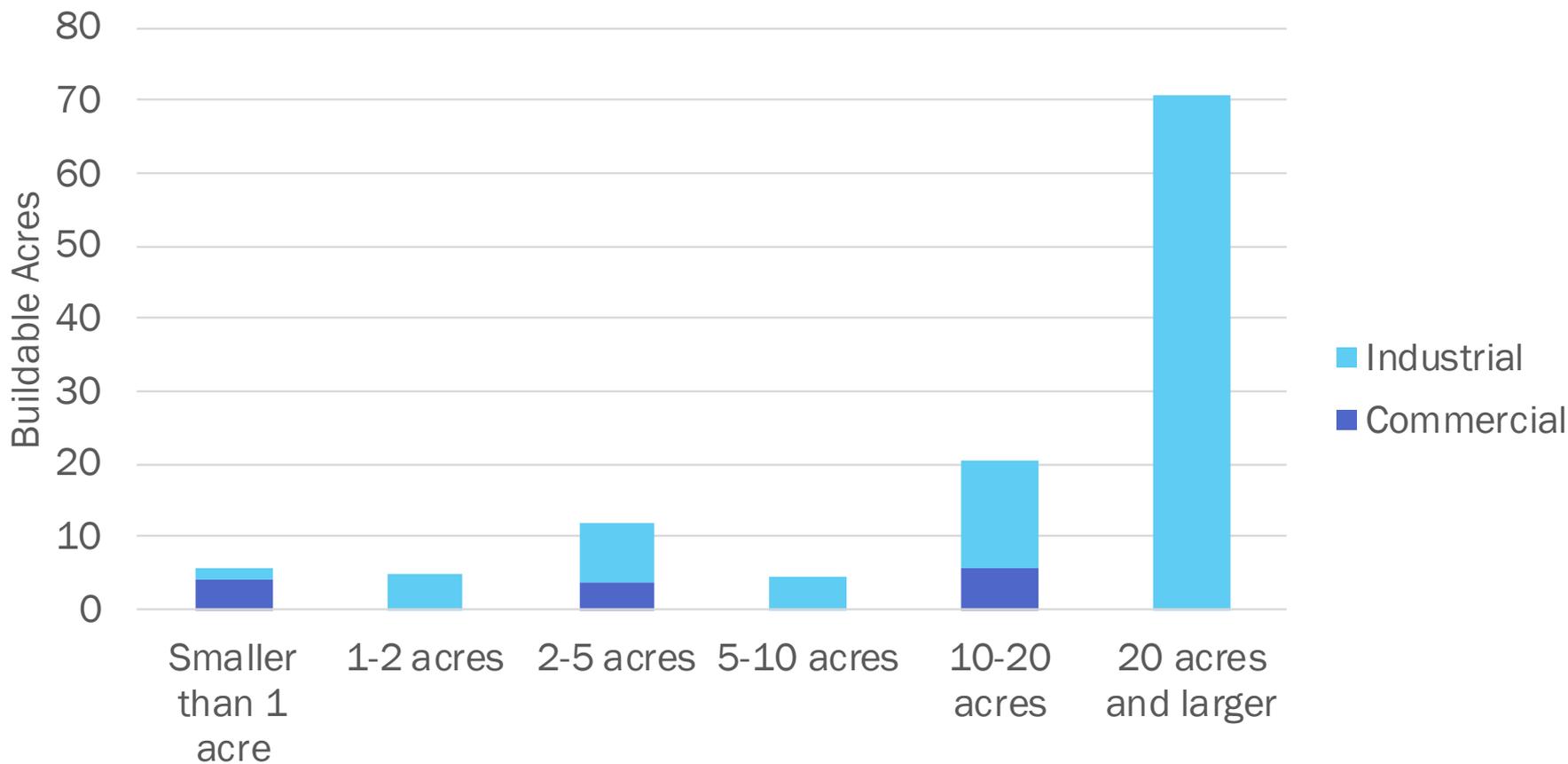
Plan Designation-Zone	Smaller than 1 acre	1-2 acres	2-5 acres	5-10 acres	10-20 acres	20 acres and larger	TOTAL
Commercial	4	0	4	0	6	0	13
Industrial	1	5	8	5	15	71	105
<b>Total</b>	<b>6</b>	<b>5</b>	<b>12</b>	<b>5</b>	<b>20</b>	<b>71</b>	<b>118</b>

## Number of lots with buildable vacant and partially vacant land by size, Philomath UGB

Plan Designation-Zone	Less than 1 acre	1-2 acres	2-5 acres	5-10 acres	10-20 acres	20 acres and larger	TOTAL
Commercial	17	0	1	0	2	0	20
Industrial	5	7	6	3	2	3	26
<b>Total</b>	<b>22</b>	<b>7</b>	<b>7</b>	<b>3</b>	<b>4</b>	<b>3</b>	<b>46</b>

# Vacant and Partially Vacant Land: Site Sizes

## Buildable acres on vacant and partially vacant lots by size, Philomath UGB



# Key Economic Trends and Employment Growth Forecasts

# Employment in Benton County

## Change in Covered Employment by Industry, Benton County, 2001 and 2018

Sector	2001	2018	Change 2001 to 2018		
			Difference	Percent	AAGR
Agriculture, forestry, fishing, and related activities	(c)	1,060	-	-	-
<b>Mining</b>	(c)	23	-	-	-
<b>Construction</b>	1,021	1,198	177	17%	0.9%
<b>Manufacturing</b>	6,445	3,013	(3,432)	-53%	-4.4%
<b>Wholesale trade</b>	527	347	(180)	-34%	-2.4%
Retail trade	3,231	3,824	593	18%	1.0%
Transportation and warehousing and Utilities	423	418	(5)	-1%	-0.1%
<b>Information</b>	962	600	(362)	-38%	-2.7%
<b>Finance and insurance</b>	570	669	99	17%	0.9%
Real estate and rental and leasing	458	454	(4)	-1%	-0.1%
<b>Professional, scientific, and technical services</b>	1,607	2,156	549	34%	1.7%
<b>Management of companies and enterprises</b>	70	1,140	1,070	1529%	17.8%
Administrative and waste management services	1,196	987	(209)	-17%	-1.1%
Educational services	257	512	255	99%	4.1%
<b>Health care and social assistance</b>	3,901	6,249	2,348	60%	2.8%
Arts, entertainment, and recreation	420	452	32	8%	0.4%
Accommodation and food services	2,569	3,808	1,239	48%	2.3%
Other services, except public administration	1,250	1,632	382	31%	1.6%
<b>Government</b>	8,492	9,516	1,024	12%	0.7%
<b>Total</b>	<b>33,399</b>	<b>38,058</b>	<b>4,659</b>	<b>14%</b>	<b>0.8%</b>

Average Wage,  
Benton County:  
**\$52,192**

Philomath  
accounts for  
about **4%** of the  
employment in  
Benton County.

Source: Oregon Employment Department.

Note: **blue** text denotes sectors with above average wages.

# Employment in Philomath

Philomath's sectors with higher than average city wages (\$41,300) in 2018 are denoted in blue text.

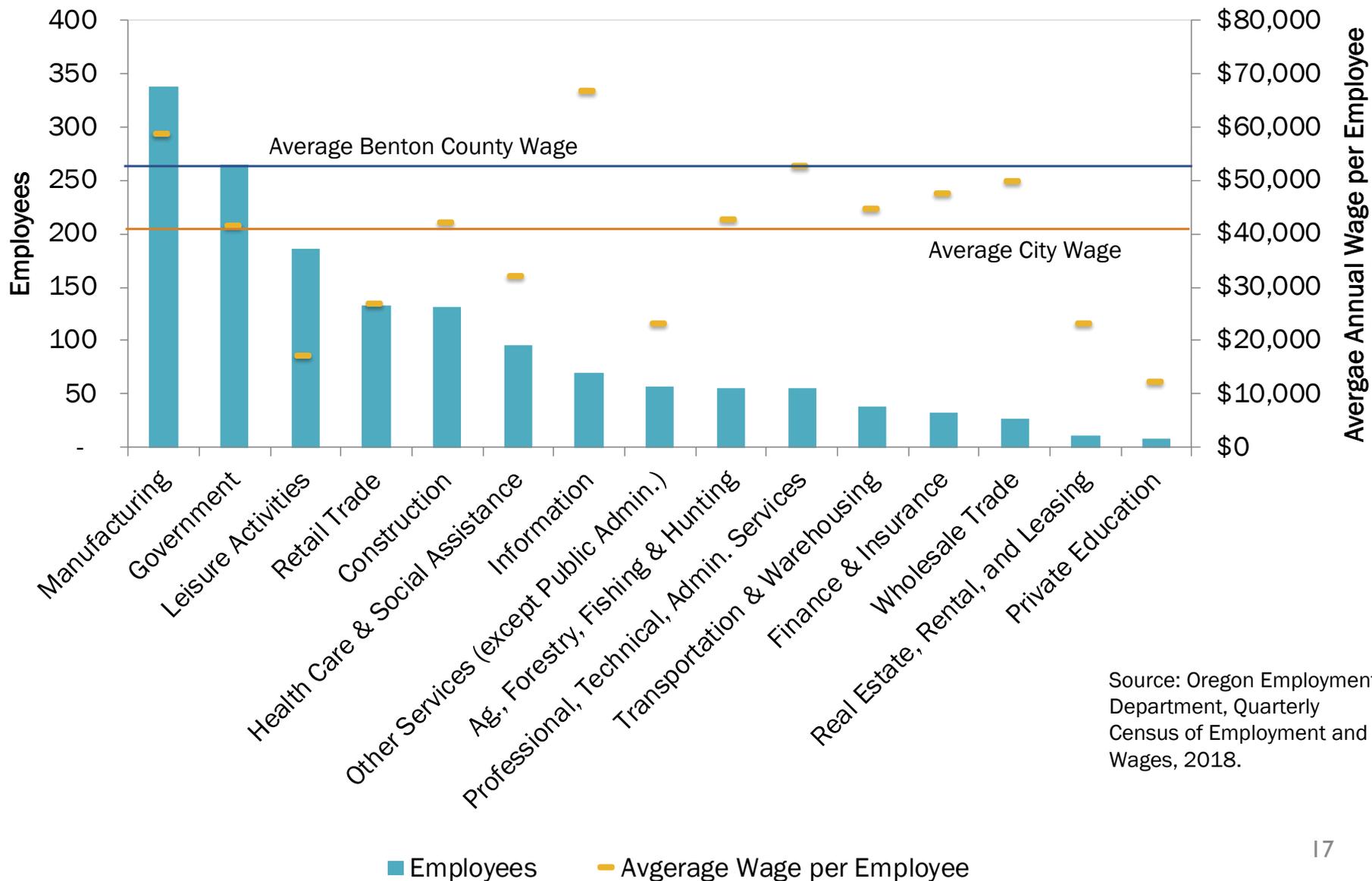
## Change in Covered Employment by Industry, Philomath UGB, 2008 and 2018

Sector	Employees		Change in Employment 2008-2018		
	2008	2018	#	%	AAGR
Agriculture, Forestry, Fishing & Hunting	65	56	(9)	-14%	-1.5%
Construction	109	131	22	20%	1.9%
Manufacturing	354	338	(16)	-5%	-0.5%
Wholesale Trade	21	27	6	29%	2.5%
Retail Trade	121	133	12	10%	1.0%
Transportation & Warehousing	60	38	(22)	-37%	-4.5%
Information, Finance, & Insurance	93	102	9	10%	0.9%
Real Estate and Rental & Leasing	18	11	(7)	-39%	-4.8%
Prof., Scientific, Technical, Admin. Services, & Mngmnt	109	55	(54)	-50%	-6.6%
Private Education, Helath Care, & Social Assistance	96	104	8	8%	0.8%
Leisure Activities	155	186	31	20%	1.8%
Other	45	57	12	27%	2.4%
Government	302	265	(37)	-12%	-1.3%
<b>Total Employment</b>	<b>1,548</b>	<b>1,503</b>	<b>(45)</b>	<b>-3%</b>	<b>-0.3%</b>

Source: Oregon Employment Department, Quarterly Census of Employment and Wages.

# Employment in Philomath

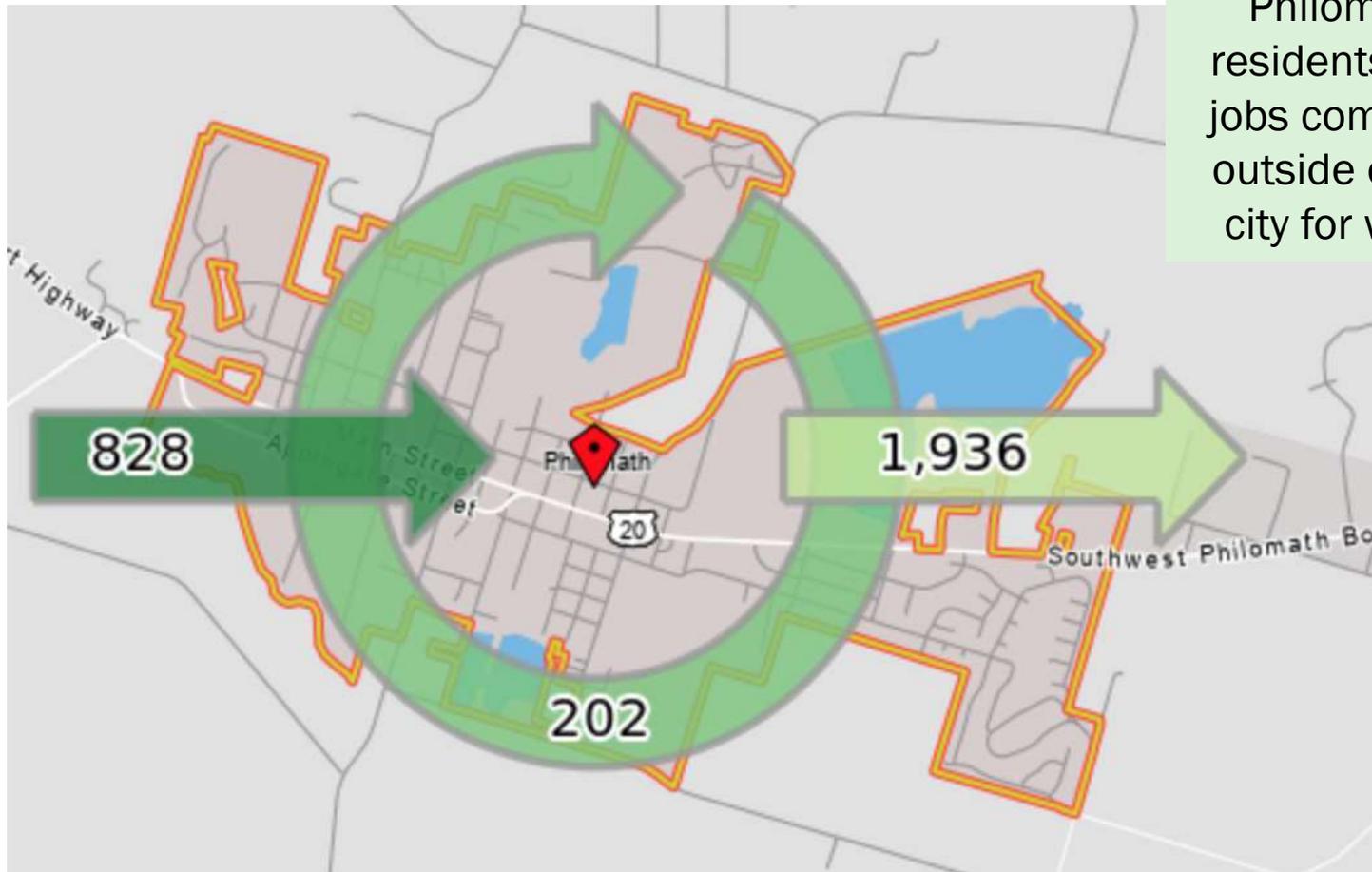
## Covered Employment by Industry, Philomath UGB, 2018



# Interconnected Economy

## Commuting Patterns, Philomath, 2017

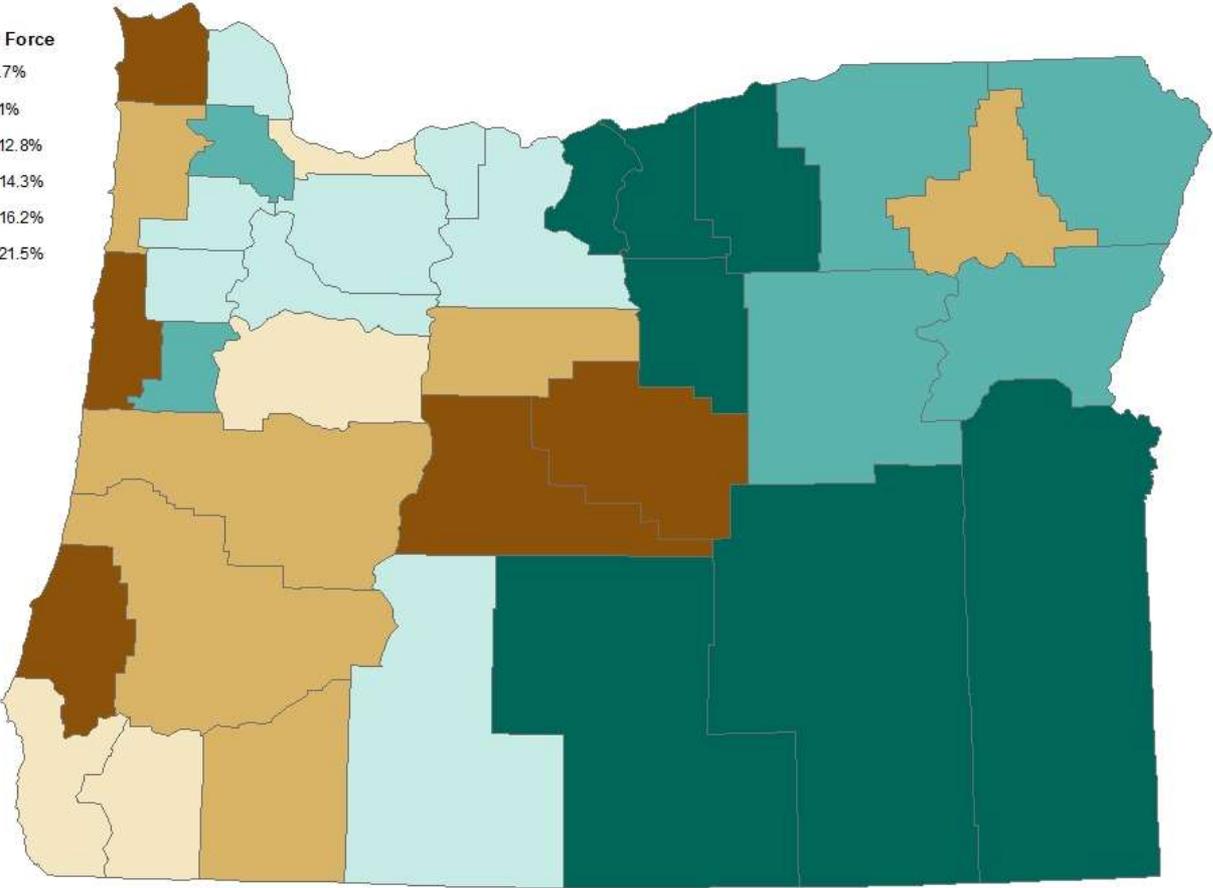
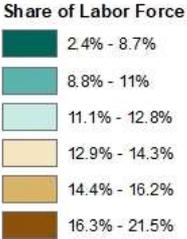
**91%** of Philomath residents with jobs commute outside of the city for work.



Source: U.S. Census Bureau, OnTheMap

# But...COVID-19 Pandemic Recession

Initial Unemployment Insurance Claims as a Share of Labor Force



Oregon Unemployment

March 2020: 3.5%

April 2020: 14.2%

Estimated mid-year:  
21%

Estimated by Q4: 12%

Source: Oregon Employment  
Department, Oregon Office of  
Economic Analysis

Source: Oregon Employment Department, initial Unemployment Insurance claims processed in the nine weeks ending May 16, 2020.

## Employment Forecast Assumptions:

- Employment base
  - Growth rates
  - Mix of employment
  - Employment in residential areas
  - Employment density
- 
- Today's  
focus

*Please note: The numbers in the employment forecast are subject to change, with refinement of the EOA.*

# Regional Employment Projections

## OED Regional Employment Projections, Willamette Valley and North Coast Regions (Benton, Clatsop, Columbia, Lincoln, and Tillamook), 2017-2027

Industry	2017	2027	Change (2017 to 2027)		
			Number	Percent	AAGR
<b>Natural resources and mining</b>	<b>3,600</b>	<b>3,780</b>	<b>180</b>	<b>5%</b>	<b>0.5%</b>
Mining and logging	990	980	(10)	-1%	-0.1%
<b>Construction</b>	<b>3,810</b>	<b>4,300</b>	<b>490</b>	<b>13%</b>	<b>1.2%</b>
<b>Manufacturing</b>	<b>8,650</b>	<b>9,040</b>	<b>390</b>	<b>5%</b>	<b>0.4%</b>
Durable goods	4,700	4,820	120	3%	0.3%
Wood product manufacturing	1,160	1,110	(50)	-4%	-0.4%
Nondurable goods	3,950	4,230	280	7%	0.7%
Food manufacturing	1,810	2,050	240	13%	1.3%
Paper manufacturing	1,270	1,140	(130)	-10%	-1.1%
<b>Trade, transportation, and utilities</b>	<b>14,920</b>	<b>15,540</b>	<b>620</b>	<b>4%</b>	<b>0.4%</b>
Wholesale trade	990	1,000	10	1%	0.1%
Retail trade	12,000	12,440	440	4%	0.4%
Transportation, warehousing, and utilities	1,930	2,100	170	9%	0.8%
<b>Information</b>	<b>980</b>	<b>1,000</b>	<b>20</b>	<b>2%</b>	<b>0.2%</b>
<b>Financial activities</b>	<b>3,870</b>	<b>4,060</b>	<b>190</b>	<b>5%</b>	<b>0.5%</b>
<b>Professional and business services</b>	<b>7,840</b>	<b>9,020</b>	<b>1,180</b>	<b>15%</b>	<b>1.4%</b>
Professional and technical services	3,220	3,640	420	13%	1.2%
<b>Private educational and health services</b>	<b>13,730</b>	<b>15,190</b>	<b>1,460</b>	<b>11%</b>	<b>1.0%</b>
Hospitals	4,490	4,900	410	9%	0.9%
<b>Leisure and hospitality</b>	<b>16,090</b>	<b>17,770</b>	<b>1,680</b>	<b>10%</b>	<b>1.0%</b>
Accommodation and food services	15,040	16,630	1,590	11%	1.0%
Accommodation	3,970	4,330	360	9%	0.9%
Food services and drinking places	11,070	12,300	1,230	11%	1.1%
<b>Other services and private households</b>	<b>4,110</b>	<b>4,280</b>	<b>170</b>	<b>4%</b>	<b>0.4%</b>
<b>Government</b>	<b>25,630</b>	<b>26,640</b>	<b>1,010</b>	<b>4%</b>	<b>0.4%</b>
<b>Total payroll employment</b>	<b>103,230</b>	<b>110,620</b>	<b>7,390</b>	<b>7%</b>	<b>0.69%</b>

Regional employment is forecast to grow **0.69%**

Potential growth industries in the Region:

- Leisure & Hospitality
- Health Services
- Professional & Business Services

# Potential Employment Forecast Growth Rates

## Employment Growth Forecast, Philomath UGB, 2021 to 2041

- *Employment Base*: Estimate of 2018 total employment in Philomath (about 1,904 jobs), decreased by 10% to account for recent unemployment
- *Growth Rates*: safe harbor assumptions

Philomath decreased by **45** covered jobs, or **-0.3% AAGR**, between 2008 and 2018.

- Two safe harbor options:**
1. PSU population growth rate for Philomath (1.53%)
  2. OED growth rate for the region (0.69%)

Year	Jobs grow at the rate of...	
	Population growth for the City (1.53%)	Employment growth in the region (0.69%)
2021	1,714	1,714
2041	2,320	1,968
<b>Change 2021 to 2041</b>		
Employees	606	254
Percent	35%	15%
AAGR	1.53%	0.69%

# Types of Employment

## Example future mix of employment:

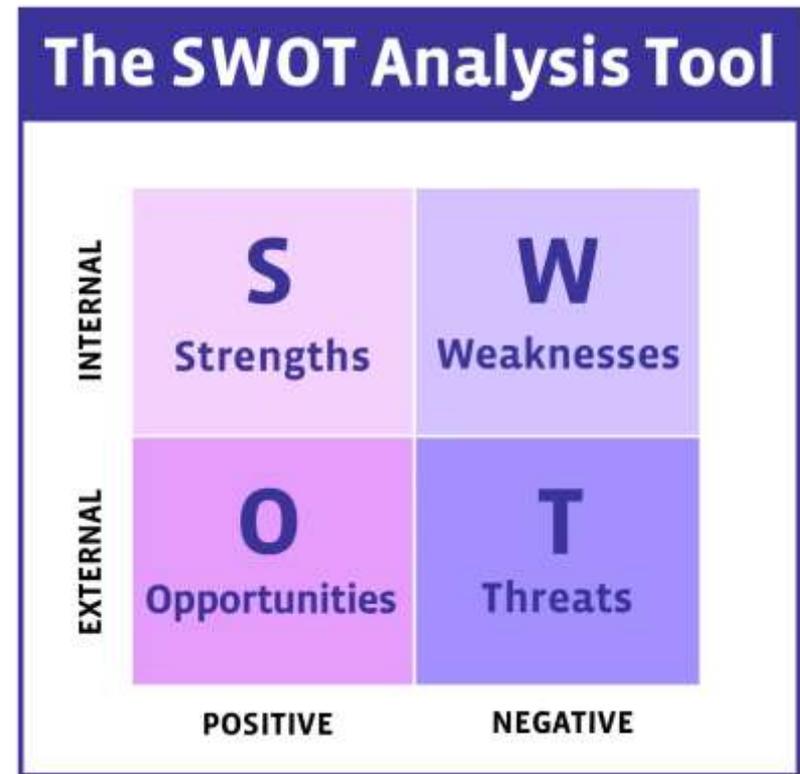
*Preliminarily uses the growth at the regional employment rate (0.69%)*

Land Use Type	2021		2041		Change 2021 to
	Employment	% of Total	Employment	% of Total	
Industrial	462	27%	529	27%	67
Retail Commercial	149	9%	172	9%	23
Office & Commercial Services	857	50%	984	50%	127
Government	246	14%	282	14%	36
<b>Total</b>	<b>1,714</b>	<b>100%</b>	<b>1,968</b>	<b>100%</b>	<b>253</b>

# Economic Development SWOT

# Philomath Economic Development SWOT

- **Strengths**: relative competitive advantages (e.g., industry supply chains and clusters, specialized workforce skills, regional partnerships)
- **Weaknesses**: local issues or characteristics that limit or constrain a community's economic growth. Weaknesses are internal limitations or constraints that make the local economy less competitive unless they are eliminated or minimized.
- **Opportunities**: conditions that can be leveraged to advance economic development objectives
- **Threats**: external factors or trends (e.g., global changes or shifts in consumer demand) that can threaten a community's economic growth



- *SWOT activity (click here)*

# Preliminary Target Industries and Required Site Types

# Potential Growth Industries

## Examples of industries have the most growth potential in Philomath?

- Manufacturing – small to mid-scale manufacturing
  - Wood product and secondary manufacturing
  - Machinery manufacturing
  - Electronics and related manufacturing
  - Food and Beverage Manufacturing
- Services for visitors and locals
  - Restaurants, local retail, and services for visitors
  - Health care and services for residents

# Site Needs for Potential Growth Industries

- Manufacturing industries
  - Flat sites smaller than 2 acres up to sites of 25 acres
  - Easy access to Highway 20; no freight movement through neighborhoods
  - Some may need greater access to water and wastewater
- Service for visitors and locals
  - Sites smaller than 1 ac up to 3 ac; spaces in existing buildings
  - High visibility location near other businesses and neighborhoods

- Refine Economic Opportunities Analysis, including:
  - Finalize Commercial and industrial BLI
  - Refine employment forecast
  - *Determine:* does Philomath have enough land to accommodate forecasted jobs (2021-2041)?
- Begin to draft economic development policies
- Begin working on Housing Needs Analysis and refining draft residential BLI

**Next PAC Meeting: July 15, 2020**

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